

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

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LIHEAP SERVICE PROVIDERS COMMITTEE MEETING

Thursday, August 7, 2008

10:00 a.m. – 2:00 p.m.

**Community Services & Development Department
700 North 10th Street
Sacramento, CA.**

Conference Call # 1-888-447-7153 – Pin 5653559#

Roll Call - Introduction of Guests (10 min)

Approval of Minutes (5 min)

Director's Report (15 min)

Energy Council Reports

- Solar (15 min)
 - CSI Proposal - CSD Staff
 - Solar Water Heating Pilot - Arleen Novotney
- Energy Automation Update – Dennis Osmer (15 min)
- LIHEAP Contract and Weatherization Committee – Kathy Kifaya (25 min)

Lunch (30 min)

Energy Council Reports – Continued

- Formula Committee – Val Martinez (30 min)
- Utility Leveraging Committee – Val Martinez (20 min)

Peer-To-Peer Resource Bank – Arleen & Val (35 min)

LIHEAP Eligibility and Verification Requirements – Dianna Molina & Jason Wimbley (20 min)

Association Updates (10 min)

Suggestions for Topics for Next Meeting and Announcements (10 min)

Adjournment

Val Martinez called the meeting to order at 10am and roll was taken.

Roll Call and Approval of Minutes

Bay Area Poverty Resource Council
California/Nevada Community Action Partnership
Campesinos Unidos, Inc.
Central Coast Energy Services, Inc.
Central Valley Opportunity Center Inc.
Community Action Agency of Butte County
Community Action Marin
Community Action Agency of San Mateo County
Community Action Partnership of San Bernardino
Community Action Partnership of Kern
Community Action of Ventura County
Community Enhancement Services
Community Resource Project
Department of Community Services and Development
Fresno County Economic Opportunities Commission
Glenn County Human Resource Agency
Kings Community Action Organization, Inc.
Madera County Community Action Partnership
Maravilla Foundation
Merced County Community Action Agency
Metropolitan Area Advisory Committee
North Coast Energy Services
Pacific Asian Consortium in Employment
Redwood Community Action Agency
San Joaquin County Dept. of Aging Children's & Community Services
Self Help Home Improvement Project
Southern California Forum
Southern California Gas/CPG&E
Spectrum Community Services
Veterans in Community Service, Inc

Conference Call

Amador-Tuolumne Community Action Agency
Great Northern Corporation
Economic Opportunity Commission of San Luis Obispo County, Inc.
Community Action Partnership of Riverside County

Approval of Minutes

Val Martinez moved that the minutes of the May 1, 2008 meeting be approved and Kathy Kifaya seconded the motion.

Director's Report

Lloyd Throne, Director of CSD discussed the Governor's Executive Order and the budget. The budget has not been signed and as a result, the Governor issued an Executive Order S-09-08 to reduce expenditures. The following steps were effective July 31, 2008:

- Prohibition of overtime

- Freeze on new hiring, transfers and promotions

- Suspension of all personal services contracts

- Termination of retired annuitants, permanent intermittent employees, seasonal employees, temporary help workers, and student assistants.

The Executive Order also implements the provisions of the *White v. Davis* case for the August payroll. The court ruled that nonexempt FLSA employees be paid federal minimum wage (\$6.55 per hour) until the budget is signed. This Executive Order does not affect the network's current contracts, nor the staffing levels of the Energy Services Division. Lloyd mentioned that U.S. Senate Bill S3186 did not pass by 10 votes; this bill would have doubled LIHEAP funds. Lloyd also added the continuing resolution will more than likely continue until the new administration takes office.

The solar initiative was the next topic of discussion. The initiative was awarded to Grid Alternative. CSD came in a close second. Lloyd said CSD was very proud of the hard work that was done on the project and based on the quality of the proposal submitted. As of August 7, 2008, no formal announcement has been made with regard to the Program Manager award and CSD and its partners have submitted a joint letter to Paul Clanon, the Executive Director of the California Public Utilities Commission requesting information about CSD's proposal and the selection process. Lloyd read a copy of the letter to providers - in summary the letter asks for assistance in receiving information about the selection process and the substantive merits of the proposals submitted. Lloyd thanked the network for its support, and personally thanked Arleen Novotney for her efforts and involvement in the development of the proposal, and Louise Perez for serving on the interview panel. Lloyd stressed that all is not lost and stressed the importance for using this experience to move forward. Already CSD is moving ahead in exploring opportunities with the municipal utility providers in California. In addition, there are opportunities at the federal level and we can anticipate tremendous movement on renewable energy initiatives and the framing of energy policy priorities, regardless to whomever takes office. CSD's proposal has garnered a lot of attention nationally, and Morgan Stanley has agreed to serve as a presenter at the 2008 NCAF Energy Conference in St. Petersburg, Florida. Louise Perez who sat on the solar panel, complimented CSD's work and said that she was very impressed with Renee' at the interview. Morgan Stanley also has expressed praises for CSD and remains committed to working with the Department.

Energy Council Report

Solar

CSI Proposal - Renee' opened the discussion on solar. She said it was humbling to be a part of the solar group. There were seven panel members representing CSD, including: Morgan Stanley; technical partners of (RHA, CAL SEIA, Jay McLaughlin), Louise Perez representing the network, and CSD. Everyone did an outstanding job and felt that CSD had an excellent chance to be named Program Manager. Renee' indicated that the California Public Utilities Commission has been non-responsive to CSD's request for information with regard to the commission's decision making, CSD's proposal, and to request a copy of winning proposal submitted by Grid Alternatives. To their credit, Grid Alternatives possesses the proper licensing and they have completed the installation of approximately 180 solar photovoltaic systems. Without viewing the actual proposal, from all indications, Grid Alternatives plans to use the Habitat for Humanity approach to provide a labor force of volunteers to complete system installations, and will require low-income participants to secure loans to bridge the system installation funding gaps. Grid Alternatives has offices in both Oakland and Los Angeles, and given the size of the organization raises question for how the organization can expand and successfully roll-out a statewide program and achieve program milestone goals. Requiring low-income participants to secure loans during these economic times is considered very risky, and is no comparison to one of the many strengths of CSD's proposal – to providing solar systems at no cost to eligible low-income homeowners. Also, Grid Alternative cannot match CSD's contacts in Washington, D. C., and the Department's network of LSPs. CSD is looking forward to moving ahead and looking at future opportunities where CSD can implement its solar business model within areas outside the IOU services area, such as SMUD and other municipal utility companies. CSD also will continue to monitor the progress of establishing the statewide solar water heater low-income program.

Solar Water Heating Pilot – Arleen Novotney from ACCES gave the solar water heating pilot report. Arleen reported that the CSD solar water heating pilot concluded on June 30, 2008. A total of 22 units were installed along with four receiving data loggers. The last three units were installed on a triplex that received three separate open loop systems. The data loggers are working great with measuring energy usage, saving data, and streaming this data to the internet where it can be accessed. Data may prove of some value later, if the Department and the network elect to pursue the statewide solar water heating program. The California Center for Sustainable Energy (CCSE) is currently administering the CSI solar water heater pilot, which will be used to design the statewide program. Currently, they are offering contractors and homeowners a one day workshop that provides training and instruction to install units for the CSI pilot. The next training is on September 18, 2008 at the facility in San Diego. Attendance of LSP's is encouraged, since this will be the official pilot for the statewide solar water heating program. The website has an online registration. The link is:

<http://www.energycenter.org/EventsDetail.asp?EventDate=9/18/2008&EventID=1477&Rec=1>

Energy Automation Update – Dennis Osmer from Central Coast Energy Services provided an update on the ServTraqLITE application. They are making significant progress with the ServTraqLITE application, and hope to have a prototype ready within the next couple months. The software will have the capability to transfer detailed data records to CSD system for payments and weatherization by March, 2009. He said that the ServTraqLITE application will be distributed to the agencies not using the full version of ServTraq, after the software completes its successful testing. VICS said they had trouble in the beginning, however, after hiring a computer technician; the system was working very well. Godwin Aimua from Riverside asked who would manage the maintenance for the software. Dennis responded that this was still undecided between CSD and CCES. Community Services and Employment Training (CSET) asked if ServTraqLITE would replace CLASS. Dennis responded that ServTraqLITE would be a tremendous improvement to CLASS, and that CLASS may need to exist through next year to support the anticipated rollout of ServTraqLITE. He said the full version of ServTraqLITE will be very adaptable to the current system, and given the resource commitment to the development of ServTraqLITE, CCES will not be able to sign accommodate any new requests for the full version of ServTraq.

LIHEAP Contract and Weatherization Committee – Kathy Kifaya said that CSD, the Energy Council and the energy contract sub-committee were working hard on developing solutions to improve the program. The Energy Contract subcommittee in conjunction with CSD staff developed a package of changes, which were supported by the EC to address the high cost of fuel and the material goods for weatherization measures. In addition, the Energy Council has been evaluating more long-term changes to travel, measuring, leveraging and cash assistance benefits, which may be incorporated in the 2009 LIHEAP PY. Kathy shared a copy of the long-term recommendation to modify the reimbursable trip charges for weatherization services. The proposal would redefine and increase the number of trips eligible for reimbursement. She said there is a lot involved when you make changes and the changes take time to evaluate the positive and negative impacts. As a result, it was decided that the changes be tabled (delayed) until 2009 PY or after the successful completion of the Energy Automation project. Based on agreements reached during the most recent meeting of the EC, CSD will proceed with issuing an amendment to the 2008 LIHEAP Contract. The following is a list of contract changes/modifications to be included in the amendment:

1. The effective date of the amendment will be retroactive to August 1, 2008
2. The distribution of the \$1.7 million in additional FFY08 funding. The funding serves as an augmentation to the annual grant award as a result of the HHS decision to not fund the REACH and Leveraging Incentive Program for FFY08. HHS did not obtain the budget authority to fund these optional programs for FFY08. The distribution will be limited to those agencies that participated in last year's LIHEAP Leveraging Incentive Programs. Jason added that CSD is still researching this to determine whether the option to limit the distribution only to the leveraging agencies is a viable option. Whatever, the outcome, the Department will communicate its final decision in the cover letter to accompany the amendment and will include a distribution spreadsheet.

3. Travel Reimbursement Rates for Single-family, Multi-family dwellings, and mileage will be increased to the following:

SFD travel reimbursement will be increased by \$10.00; new reimbursement = 1 hour labor + \$8.00 (existing surcharge) + \$10.00 (new surcharge)

MUD travel reimbursement will be increased by \$5.00; new reimbursement will total \$8.50 = \$3.50 + \$1.10 + \$3.90

Mileage reimbursement will be increased by \$.10; new reimbursement will be \$.91 per mile

4. Measure Increases:

Increase Electric Water Heaters from \$700 to \$980.

Increase Evap Coolers, wall/window replacements from \$786 to \$900.

As time permits, CSD will look at other measures to assess the need for increases, including: Heater Blankets, all glass and window measures, cook stove replacement and all insulation measures. CSD will attempt to include any reimbursement increases for these measures in the amendment as well.

Energy Council Reports cont'd.

Formula Committee – Val Martinez said that the committee spent months looking at new funding formulas. They decided to continue the existing funding formula until the numbers from the next census are released. The committee took into consideration everyone's best interests. So the decision was made to leave the 2009-2010 contracts the same (the use of the existing formula) and revisit the issue of the formula for the 2011 contract.

Utility Leveraging Committee – Val Martinez said there is a push within the CPUC to direct the utility companies to work more closely with the LIHEAP weatherization program. The committee had one meeting with the utility companies and no agreement was reached with regard to adopting a standard definition of leveraging. However, the IOUs seemed to have some interest in pursuing joint pilots in the future. One of the committee's goals is to expand participation in the energy programs within the utility companies without adversely affecting existing relationships and business interests many agencies have successfully fostered with utility companies. Val said they anticipate future meetings with the utilities to reach a common ground so we can move forward with the leveraging issue. Bill Parker from San Mateo stated that the last meeting regarding leveraging was a workshop held by the CPUC on the LIEE program. There was discussion about an MOU between CSD and the CPUC. The ALJ was interested in this concept. Bill Parker mentioned that there has been no contact with the ALJ and the Energy Council and the utilities have not contacted CSD. Val Martinez feels that CSD would be a good partner in establishing an MOU, because CSD could set the tone and provide the general framework. Louise Perez commented that there must be leveraging, however, we need to respect that the definition needs to be different with each entity. She said the ALJ said that the utilities must come up with a matrix and made reference to the KEMA report, which concluded that aside from refrigerators, none of the other measures offered under the utility weatherization programs are cost effective. Bill Parker stated that the utility companies are leaning towards a pilot program to investigate, measure cost effectiveness and further question how the utilities would measure cost-effectiveness for the low-income. Veterans in Community Service (VICS) (Dave Anderson) stated that we need to reduce the duplication between all the

programs to reduce the cost, which would put more money in the program. Southern Cal Edison clarified the differences between block weatherization and tiered eligibility. Bill Parker stated that the ALJ does not support the energy education program and the ALJ has asked the utility companies to justify the education program. The comment was made that the Edison model for the leveraging of refrigerators and other appliances serves as a model for leveraging.

Peer-To-Peer Resource Bank

Arleen Novotney and Val Martinez opened this discussion. Arleen said the purpose of the Peer-To-Peer Resource Bank was to create a data base to assist and help the providers improve their best practices. ACCES would do the training and the subjects would be fine tuned to benefit non-profit organizations. Cal-Neva is already doing a T&TA program with CSD, so Cal-Neva's suggestions for the Peer-To-Peer project would be most helpful. Val and Arleen facilitated a brainstorming to solicit topics for training. The list of suggested topics were:

- Board Development
- Finance/Fiscal
- Succession
- Strategic Planning
- Difficult Clients
- Employee Development
- Disaster Preparedness
- ServTraQ LITE
- Program Support/Billing
- Technical Support
 - Glass – HVAC
 - NCES
 - Wood Sashes
 - Solar
- Insurance
- Contracts/Administration
- Outreach/Marketing
 - Collaboration
 - Faith Based
 - Other networks
- New Employees Orientation
- Leadership
- Production Models
 - Marvilla
- Leadership
- Information Technology
- Grant Writing
- Fund Development
- Monitoring
- Certification

Entrepreneurial/Services
Money Management
 Asset Building
 Fund Development
Procurement
Going Green
 Carbon Credits
Program Management
 Twelve Month Program Planning
Inventory Management
Leveraging
Multi-Language Materials

More follow-up on the Peer-To-Peer Resource Bank will be discussed at the next CAC meeting on November 12, 2008.

LIHEAP Eligibility and Verification Requirements

Jason opened the discussion by saying that CSD was trying to get away from using Social Security numbers as a means to verify eligibility under LIHEAP. He stated that the providing of the SS# is completely voluntary and that a client cannot be wrongly denied participation in the program for failure to provide a SSN#. CSD is looking at alternatives to the SSN# serving as a unique identifier for a client record, and is currently in discussion with the State Controller's Office to ascertain whether the Department is mandated to collect the SSN# or can they elect to use an alternative. One alternative suggestion offered by CSD is to use the combination of a client's date of birth and the last four digits of the SS#; however, to date, the State Controller Office has not officially supported this suggestion. CSD is waiting to hear from the State Controller. Jason advised the group to not deny assistance if the SS# was not provided and that CSD was devising a work around solution to complete the eligibility verification and handling of records without a SS# via the CSD Help Desk. Jason stated that public agencies are required to collect a SS# to comply with federal citizenship verification requirements. Jason further added that in lieu of collecting a SSN# agencies should make a reasonable attempt to confirm the identity of the clients, and that expired picture identification and out of state ID's are acceptable – as long as the picture bears some resemblance to the applicant. The general rule is that agencies should make every reasonable attempt to identify the client.

Association Updates

Bay Area had nothing to report.

Southern Cal Forum talked about Grid Alternatives. Grid Alternatives was awarded the solar program manager position. . Grid Alternatives has not contacted any of the agencies, except for the Bay Area. The group felt they contacted San Francisco because of their location. Val Martinez asked the group to contact Jayson or herself if anyone hears from Grid Alternatives.

Suggestions for Topics for Next Meeting and Announcements

Provide copies of the Energy Council Meeting minutes at the LIHEAP meeting

Adjournment at 1:30pm